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# IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF NEW JERSEY

HAYWARD INDUSTRIES, INC.,

Plaintiff,

v.

SALT SOLUTIONS, INC.,

Defendant.

Civil Action No.

COMPLAINT AND DEMAND FOR JURY TRIAL

### **COMPLAINT**

Plaintiff Hayward Industries, Inc., accuses Defendant Salt Solutions, Inc., of false advertising, trademark infringement, counterfeiting, passing off, false designation of origin, and unfair competition, all in violation of the Lanham Act (15 U.S.C. § 1051 *et seq*), as well as New Jersey statutory and common law.

## **THE PARTIES**

1. Hayward is a New Jersey corporation having its principal place of business at 620 Division Street, Elizabeth, New Jersey, 07201.

2. Salt Solutions is a Florida corporation having its principal place of business at 5402 W. Laurel Street, Suite 111, Tampa, Florida, 33607.

#### **JURISDICTION AND VENUE**

- 3. This action arises under federal law, in particular, under the Lanham Act §§ 32(1) and 43(a) (15 U.S.C. §§ 1114(1) and 1125(a)). As such, this Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 (federal question) and 1338 (trademark and unfair competition cases).
- 4. This case also arises under the statutory and common law of New Jersey. Pursuant to 28 U.S.C. §§ 1367, this Court has supplemental jurisdiction over the state law claims because they arise from, or form part of, the same case or controversy as the federal law claims.
- 5. This Court has personal jurisdiction over Salt Solutions because Salt Solutions has regularly engaged in business in this District and has purposefully targeted its unlawful business activities to the residents of this District by, for example, falsely advertising, offering for sale, and selling infringing, counterfeit products in New Jersey. For instance, the infringing products are advertised on, offered for sale, and sold through Amazon.com and also Salt Solutions' own interactive, retail website, www.saltsolutionsinc.com. Salt Solutions does not place any geographic restrictions on who can buy its products from these on-line retail sites, and, as such, these products are made available to New Jersey residents. Indeed, as further alleged below, Salt Solutions has shipped infringing products to residents of New Jersey.
- 6. Venue is proper under 28 U.S.C. § 1391(b) and (c) because a substantial part of the events or omissions giving rise to Hayward's claims have occurred in this District and because Salt Solutions is subject to this Court's personal jurisdiction, as alleged above.

## FACTUAL BACKGROUND

### A. Introduction

- 7. Hayward is a leading manufacturer of equipment for commercial and residential swimming pools, such as pumps, heaters, filters, and chlorination systems, among other products. Hayward has been in business for over 80 years and is one of the largest manufacturers and sellers of residential pool equipment in the world. Among Hayward's most popular and profitable products is the TURBO CELL® salt cell, which comes in both the T-CELL™ line for in-ground pools and the GLX-CELL™ line for above-ground pools. HAYWARD® TURBO CELL® salt cells have been on the market for approximately 20 years, and Hayward has sold over one million units of these salt cells.
- 8. A salt cell is a component of an automatic pool chlorination system that, through electrolysis, turns salt into chlorine to sanitize a pool, eliminating the need to manually add liquid chlorine or chlorine pellets, among other benefits. Further information about HAYWARD® TURBO CELL® salt cells is freely available to the public, including in this popular YouTube video, "How to Clean Your Hayward Salt Chlorination TurboCell," which can be found at <a href="https://www.youtube.com/watch?v=4Kn5MD7lDyQ">https://www.youtube.com/watch?v=4Kn5MD7lDyQ</a>. As of May 30, 2019, this video alone had over 438,000 views, attesting to the popularity and consumer recognition of HAYWARD® TURBO CELL® salt cells.
- 9. Shown below are a HAYWARD® TURBO CELL® T-CELL-15<sup>TM</sup> salt cell and a HAYWARD® TURBO CELL® GLX-CELL-15<sup>TM</sup> salt cell. Some models also bear the GOLDLINE® mark. As seen in the three photos below (the third one being a close-up of a product label), Hayward displays the HAYWARD®, TURBO CELL®, T-CELL<sup>TM</sup>, GLX-CELL<sup>TM</sup>, and GOLDLINE® marks directly on the products.







10. Given the strong commercial success of Hayward's TURBO CELL® salt cells, Salt Solutions has chosen to counterfeit them and to unfairly trade on their popularity and goodwill. In particular, Salt Solutions advertises "Certified Refurbished" and "Certified Renewed" HAYWARD® TURBO CELL® salt cells (including for T-CELL™, GLX-CELL™, and GOLDLINE® models). Such advertisements falsely or misleadingly suggest that Hayward or a qualified third-party has somehow "certified" or authorized the refurbishment or renewal of these salt cells. But Hayward has not certified or otherwise authorized these renewed or refurbished TURBO CELL® salt cells. Furthermore, on information and belief, no independent

third-party, such as a national standards-setting organization or product testing laboratory, has certified them either.

11. In addition, Salt Solutions is passing off its own salt cells as HAYWARD® TURBO CELL® salt cells or is reverse passing off HAYWARD® TURBO CELL® salt cells as its own (*i.e.*, by placing its own label on HAYWARD® TURBO CELL® salt cells). For example, when a consumer searches on Amazon.com for a "replacement Hayward Turbo Cell," he or she is instead directed to a Salt Solutions salt cell that is deceptively advertised as, for example, a "Hayward GLX-CELL-5 20K-Gallon Turbo Cell Replacement for Select Hayward Salt Chlorine Generators (Certified Renewed)." Moreover, as seen below in the advertisement (annotated) from Amazon.com, the product is identified as originating from Hayward (*i.e.*, "by Hayward"):

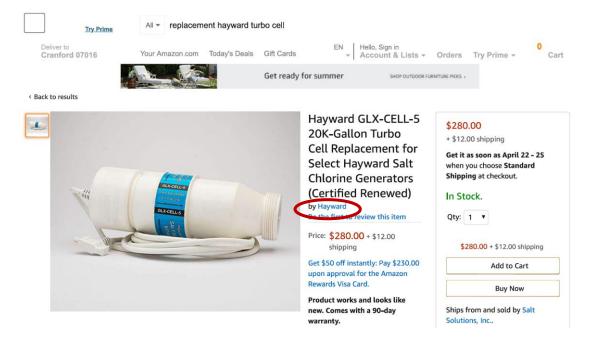


Exhibit A. *See also* www.amazon.com/Hayward-GLX-CELL-5-20K-Gallon Replacement-Generators/dp/B07B3KNPH5/ref=sr\_1\_5?keywords=replacement+hayward+turbo+cell&qid=15
55445318&s=gateway&sr=8-5 (visited on May 29, 2019). The actual product, however, has a "Salt Solutions" label pasted over the Hayward® TURBO CELL® label.

12. Salt Solutions' acts are likely to cause confusion in the marketplace, and Hayward and its reputation as one of the world's leading pool equipment manufacturers will be harmed. Accordingly, Hayward seeks relief under the Lanham Act, as well as under applicable state and common law, for false advertising, trademark infringement, trademark counterfeiting (both passing off and reverse passing off), false designation of origin, and unfair competition.

## B. Haywards TURBO CELL® Products and Trademark Rights

- 13. Hayward owns a family of HAYWARD-formative marks, including the federally-registered HAYWARD® mark, Reg. No. 3,969,301, claiming use in commerce since 1956 in connection with various swimming pool equipment, including, *inter alia*, "salt and chlorine generators and parts and fittings thereof," and, since 1996, in connection with "electrolytic chlorine generators," among other electronically controlled components. This trademark was registered on May 31, 2011 and, under 15 U.S.C. § 1065, is incontestable. HAYWARD® serves as the house mark for Hayward's extensive collection of pool equipment products. A copy of the registration certificate for the HAYWARD mark is attached as Exhibit B.
- 14. Hayward also owns the federally-registered mark TURBO CELL<sup>®</sup>, Reg. No. 3,156,434, claiming use in commerce since 1999 in connection with "electrolytic chlorine generators for use with swimming pools and spas." The mark was registered on October 17, 2006, and, under 15 U.S.C. § 1065, is incontestable. A copy of the registration certificate for the TURBO CELL<sup>®</sup> mark is attached as Exhibit C.
- 15. Hayward likewise owns the federally-registered mark GOLDLINE®, Reg. No. 5,726,797, claiming use in commerce since 2004 in connection with "salt and chlorine generators for use in swimming pools, spas, hot tubs, whirlpools, and other recreational bodies of water."

The mark was registered on April 16, 2019. A copy of the registration certificate for the GOLDLINE® mark is attached as Exhibit D.

- 16. Hayward also owns and uses the common law trademarks T-CELL<sup>TM</sup> and GLX-CELL<sup>TM</sup> to further identify and designate the source of its salt cells. The T-CELL<sup>TM</sup> line of TURBO CELL salt cells is sold for in-ground pools, while the GLX-CELL<sup>TM</sup> line is sold for above-ground pools. Hayward has used these trademarks on and in connection with the sale of its TURBO CELL<sup>®</sup> salt cells continuously since at least the late 1990s.
- 17. Hayward has continuously used the HAYWARD®, TURBO CELL®, GOLDLINE®, T-CELL™, and GLX-CELL™ marks (the "Hayward Marks") on and in connection with salt cells for at least the past 15 years, and, indeed, has used all of the Hayward Marks except for GOLDLINE® for at least two decades. Hayward has invested millions of dollars in the development, engineering, manufacturing, marketing, advertising, and sale of these salt cells bearing the Hayward Marks.
- 18. Hayward employs a rigorous quality control process to ensure the high quality of its salt cells bearing the Hayward Marks. Indeed, an independent standards-setting organization, the National Sanitation Foundation ("NSF"), independently tests and certifies these salt cells.
- 19. In its advertising and marketing materials, Hayward emphasizes this high quality and independent, NSF certification of the salt cells bearing the Hayward Marks. Two examples of Hayward's advertising materials touting the NSF certification are shown below.

## Example 1:

## TurboCells

# EXPERT LINE

Independently tested and proven by the National Sanitation Foundation (NSF), Genuine Hayward TurboCells have been reliably delivering chlorine to pools and spas for nearly two decades. The world's #1 salt chlorination cell produces soft, silky water that won't turn eyes red, and is the best value - saving pool owners 50% or more over conventional chlorine costs.

Exhibit E, TurboCells Expert Line sell sheet. Also available at <a href="www.hayward-pool.com/shop/en/pools/turbocells-i-cgturc">www.hayward-pool.com/shop/en/pools/turbocells-i-cgturc</a>

## Example 2:





Exhibit F, TURBO CELL advertisement.

- 20. By virtue of Hayward's continuous use of the Hayward Marks on and in connection with its salt cells, by virtue of its efforts and money spent marketing and promoting these salt cells, and by virtue of the high quality of the products, consumers have come to identify the Hayward Marks with Hayward's high quality salt cells, which have generated substantial goodwill in these marks and associated products.
- 21. Indeed, as a result of that goodwill, the HAYWARD® TURBO CELL® salt cells command a premium price in the market. Hayward has sold over one million of these salt cells over the years.

## C. The Replacement Market for Salt Cells

- 22. Hayward sells these salt cells bearing the Hayward Marks through various distribution channels, including through local and national pool equipment retailers (both brick-and-mortar and on-line) and, in particular, through national on-line retailers like Amazon.com.
- 23. A salt cell is part of a larger salt chlorination system that includes a controller circuit box and various other fittings and components. A TURBO CELL® salt cell is included as part of the Hayward salt chlorination system when that system is first installed. But because salt cells need to be replaced periodically, a market for replacement salt cells has arisen. Indeed, Hayward sells the majority of its TURBO CELL® salt cells as replacements for TURBO CELL® salt cells that were originally installed when a customer's swimming pool was built or first outfitted with a salt chlorination system.
- 24. Salt Solutions competes directly with Hayward in this market for replacement salt cells. But as alleged below, Salt Solutions also competes unfairly by falsely advertising its replacement salt cells, by infringing Hayward's trademarks, by counterfeiting, and by otherwise improperly trading on Hayward's brand identity and goodwill.

## D. Salt Solutions' Willful Deceit and Unfair Competition

25. When a potential customer searches for "Hayward Turbo Cell replacement" on Amazon.com (or for other search terms that include some combination of "Hayward," "Turbo Cell," "Goldline," "T-Cell," and/or "GLX-Cell"), the customer typically will be presented with a list of several competing salt cells, not just Hayward's own TURBO CELL® salt cells. Here is an excerpt from actual search results for "Hayward turbo cell replacement" on Amazon.com:

Amazon.com: hayward turbo cell replacement



Hayward GLX-CELL-5 20K-Gallon Turbo Cell Replacement for Select Hayward Salt Chlorine Generators (Certified Renewed)

\$28000

\$12.00 shipping

Hayward Goldline T-Cell-15 TurboCell Salt Chlorination Cell for In-Ground Swimming Pools

1,126



\$54499

FREE Shipping

More Buying Choices

\$325.00 (19 used & new offers)



Hayward GLX-CELL-5 TurboCell Salt Chlorination Cell for Above-Ground Pools up to 20,000 Gallons

286

\$32300

Get it as soon as Fri, Apr 19

FREE Shipping by Amazon

More Buying Choices

\$149.00 (18 used & new offers)

cell+replacement&ref=nb\_sb\_noss\_2

3/11

Exhibit G, Search of "Hayward turbo cell replacement," conducted on April 17, 2019.

- 26. The first product listed in the search above is advertised as a "Hayward CLX-CELL-4 20K-Gallon Turbo Cell Replacement for Select Hayward Salt Chlorine Generators (Certified Renewed)." But it is actually a Salt Solutions' counterfeit of a Hayward salt cell, and it even appears in the listing of search results *above* the two actual Hayward salt cells.
- 27. Indeed, multiple search results for Hayward replacement salt cells reflect what appear to be genuine HAYWARD<sup>®</sup> TURBO CELL<sup>®</sup> salt cells of various sizes and models. But in reality, a number of these results actually depict counterfeit salt cells sold by Salt Solutions.
- 28. To exacerbate the problem, Salt Solutions promotes these knock-off products as "Certified Renewed" or "Certified Refurbished," and as "by Hayward," as exemplified in the results pasted below of searches conducted in April and May 2019 on Amazon.com:



Roll over image to zoom in

## REBUILTHayward Goldline T-CELL-9 Turbo Cell, 25,000 Gallon (Certified Renewed)

by Hayward, Goldline

1 customer review

Available from these sellers.

Product works and looks like new. Comes with a 90-day warranty.

This Amazon Renewed product is professionally inspected and tested by an Amazon qualified supplier. Box and accessories may be generic. Learn more

 \*\*Rebuilt\*\*Hayward AquaRite Electronic Chlorine Generator up to 25k System!

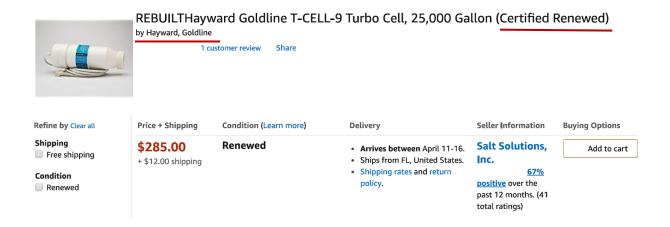
**Renewed** (1) from \$285.00 + \$12.00 shipping



## REBUILTHayward Goldline T-CELL-9 Turbo Cell, 25,000 Gallon (Certified Renewed)

1

More Buying Choices \$285.00 (1 new offer)







#### REBUILT Hayward Goldline T-CELL-5 Turbo Cell (Certified Renewed)

by Rebuilthayward

Be the first to review this item
4 answered questions

Price: \$250.00 + \$12.00 shipping

Get \$50 off instantly: Pay \$200.00 upon approval for the Amazon Rewards Visa Card.

Product works and looks like new. Comes with a 90-day warranty.

This Amazon Renewed product is professionally inspected and tested by an Amazon qualified supplier. Box and accessories may be generic. Learn more

 \*\*Rebuilt\*\*Hayward AquaRite Electronic Chlorine Generator up to 25k System!

**Renewed (1)** from \$250.00 + \$12.00 shipping



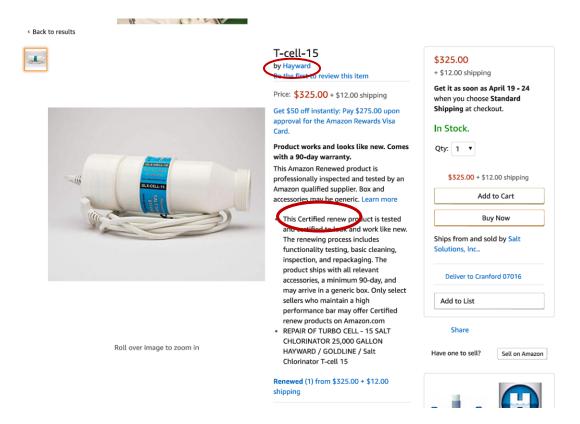


Exhibit H, Amazon.com search results (annotated), dated April 6, 2019 – May 29, 2019;



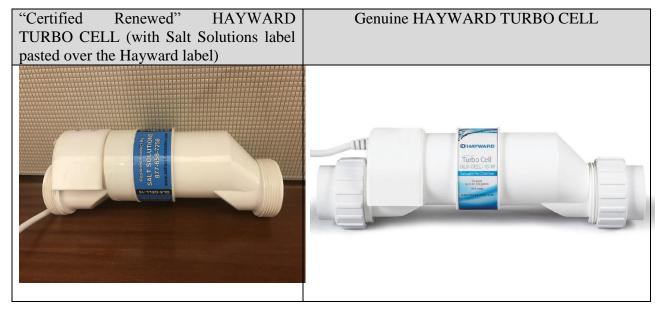
Exhibit I, Advertisement on Amazon.com, dated April 17, 2019.

29. These advertisements on Amazon.com and other national retail websites (such as ebay.com) suggest to consumers that Hayward has certified the products, particularly given that

the product is often prominently identified as "**by Hayward**" (and, in some cases "**by Goldline**" as well), as seen in the annotated advertisement above (underlined or circled in red).

- 30. Although these salt cells are advertised as "HAYWARD" products, and despite the fact that these advertisements (and the labels on the products) use the Hayward Marks, they actually are counterfeit salt cells sold by Salt Solutions. They are either Salt Solutions' own salt cells trying to pass as genuine HAYWARD® TURBO CELL® salt cells or are Hayward salt cells that have been materially altered and thus are counterfeit.
- 31. Moreover, the claim that these salt cells are "Certified Renewed" or "Certified Refurbished" is false or misleading and suggests an affiliation with Hayward. But Hayward neither certifies nor authorizes the renewal or refurbishment of these salt cells and is not affiliated with Salt Solutions.
- 32. Salt Solutions' "Certified Renewed" or "Certified Refurbished" claims are designed to further confuse consumers because, as noted above, Hayward emphasizes in its own advertising that its salt cells are certified by the NSF. Thus, consumers, already familiar with the independently-certified HAYWARD® TURBO CELL® salt cells and desiring an appropriate replacement for them would be likely to assume that Salt Solutions' knock-off salt cell products also are certified by the NSF or some other comparable independent testing laboratory.
- 33. In addition to passing off counterfeit salt cells as genuine HAYWARD® TURBO CELL® salt cells, Salt Solutions is also pasting its own label onto the Hayward salt cells and is thus reverse passing off HAYWARD® TURBO CELL® salt cells as its own.
- 34. For example, in early April 2019, a Hayward employee ordered on Amazon.com a "Certified Renewed" HAYWARD<sup>®</sup> TURBO CELL<sup>®</sup> salt cell, which was shipped to her home in New Jersey a few days later. Below, on the left, is a photograph of the salt cell delivered to

the Hayward employee. In reality, however, this salt cell is a counterfeit sold by Salt Solutions. For comparison, a *genuine* HAYWARD<sup>®</sup> TURBO CELL<sup>®</sup> salt cell is shown below on the right.



As is clear, Salt Solutions has pasted its own label onto the "Certified Renewed" Hayward salt cell where the HAYWARD® TURBO CELL® label normally would be located. But this product actually is a HAYWARD® TURBO CELL® salt cell that has been altered to appear as if it originates from Salt Solutions. The deception is evident because Salt Solutions neglected to remove Hayward's TURBO CELL® trademark from the plug of the supposedly "Certified Renewed" salt cell, as seen in this photograph:



This TURBO CELL® mark is embossed into the plugs of *genuine* HAYWARD® TURBO CELL® salt cells. Hayward, however, has never authorized Salt Solutions to use the TURBO CELL® mark--or any of the other Hayward Marks, for that matter.

36. In another egregious example of reverse passing off from mid-April 2019, Salt Solutions advertised on Amazon.com a "T-cell-15" and used a photograph of a HAYWARD® TURBO CELL® T-CELL™ salt cell but *erased* the HAYWARD mark and logo from where they would normally appear on the label (circled in red) and instead has promoted it as a "SALT SOLUTIONS" salt cell:



Exhibit H. For comparison, a genuine HAYWARD® TURBO CELL® salt cell (with the genuine HAYWARD® mark and logo circled in red) appears as follows:



- 37. Given that Salt Solutions has applied its own label over the Hayward label on "Certified Renewed" HAYWARD® TURBO CELL® salt cells *or* has simply erased the HAYWARD® mark and logo from HAYWARD® TURBO CELL® salt cells that it advertises as originating from Salt Solutions, it is clear that Salt Solutions is trying to pass off a genuine HAYWARD® TURBO CELL® salt cells as its own.
- 38. Moreover, the supposed "Certified Renewed" HAYWARD® TURBO CELL® salt cell purchased by the Hayward employee is scuffed and worn. Salt Solutions also etched its own serial number into the body of this salt cell. The poor condition of the salt cell which certainly is not "renewed" or "refurbished" to be as good as new will damage Hayward's reputation as a manufacturer and distributor of the highest quality products. Despite Hayward not having certified the "renewal" or "refurbishment" of these salt cells, Hayward nonetheless will likely receive any customer complaints and suffer any social media criticism if the supposed "Certified Renewed" salt cells do not appear visually as advertised or fail to work correctly.
- 39. Indeed, Salt Solutions further contributes to consumer confusion by failing to detail in its advertising materials the standards by which its salt cell are "Certified Renewed" or "Certified Refurbished." For instance, Salt Solutions has not specified whether it is using Hayward-authorized and quality-approved parts to renew or refurbish these salt cells or, instead, is using poor quality or unauthorized parts. Regardless, however, Salt Solutions is materially

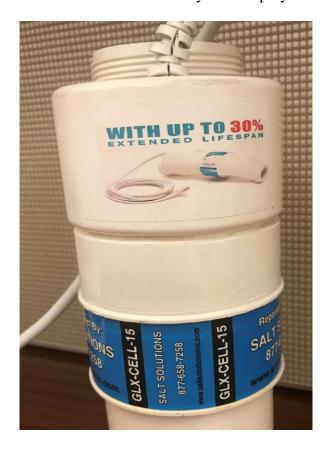
altering and selling HAYWARD® TURBO CELL® salt cells that are no longer genuine or Hayward-approved products. It is inevitable that Salt Solutions' flooding of the replacement market with these unauthorized "Certified Renewed" or "Certified Refurbished" salt cells will harm Hayward's reputation as a manufacturer of high quality pool products.

- 40. The problem is particularly acute because genuine HAYWARD® TURBO CELL® salt cells are "[i]ndependently tested and proven by the National Sanitation Foundation (NSF)." See Exhibit E. On information and belief, Salt Solutions does not comply with such testing standards. Because Hayward has no control over these "Certified Renewed" or "Certified Refurbished" salt cells, and because, on information and belief, they are not independently tested and certified by the NSF or a comparable testing laboratory, sale of these knock-off salt cells will negatively affect Hayward's reputation and the goodwill in the Hayward Marks.
- 41. Salt Solutions further has the temerity to advertise these counterfeit salt cells as having "30% Extended Lifespan" without any explanation as to the meaning of, or support for, this claim. For example:



#### Exhibit I.

42. The same "30% Extended Lifespan" claim appears on a sticker pasted onto the counterfeit Salt Solutions salt cell delivered to the Hayward employee in New Jersey:



43. On information and belief, this "30% Extended Lifespan" claim is false or misleading and has no basis in fact. On information and belief, Salt Solutions' "Certified Renewed" salt cells are not independently tested or certified and thus there is no justification for Salt Solutions' claim that they have a 30% extended lifespan. Moreover, this claim is additionally misleading because the advertisement provides no baseline or frame of reference to appreciate the benefit of the purported 30% extended lifespan. The advertisement does not indicate whether Salt Solutions' "Certified Renewed" salt cells have a 30% extended life over a genuine HAYWARD® TURBO CELL® salt cell or in relation to some other product or standard.

44. In addition to materially altering the HAYWARD® TURBO CELL® salt cells by replacing or rebuilding parts or otherwise "refurbishing" them without authorization from Hayward, such material alteration includes pasting its own label onto HAYWARD® TURBO CELL® salt cells where the Hayward TURBO CELL® label would normally appear, as noted above. Salt Solutions even has the audacity to misappropriate Hayward's own GLX-CELL™ mark and associate it, falsely and confusingly, with Salt Solutions. To wit:



- 45. Salt Solutions' acts have been willful. Salt Solutions has had at least constructive knowledge of the HAYWARD<sup>®</sup>, TURBO CELL<sup>®</sup>, and GOLDLINE<sup>®</sup> marks because they are registered on the principal federal register of trademarks. Moreover, the HAYWARD<sup>®</sup> and TURBO CELL<sup>®</sup> marks are incontestable by virtue of years of continuous and uncontested use, and thus Salt Solutions could not possibly have a basis to challenge these marks.
- 46. Even more damning, Hayward previously warned Salt Solutions about its unfair and deceptive conduct. Specifically, in a letter dated November 5, 2018, Hayward advised Salt Solutions that, by advertising and selling "certified refurbished" TURBO CELL® salt cells, as

well as TURBO CELL<sup>®</sup> salt cells with a "30% Extended Lifespan" claim, among other misconduct, it was committing false advertising and unfair competition under the Lanham Act. *See* Exhibit J, Letter from Scott Christie, Esq., of McCarter English, LLP, to Steve Darr, President and CEO of Salt Solutions. But, despite this warning and demand to stop the infringing conduct, Salt Solutions has continued the same deceptive activities and unfair competition.

# COUNT I False Advertising in Violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)

- 47. Hayward re-alleges and incorporates by reference Paragraphs 1-46 above as if fully set out herein.
  - 48. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 49. Salt Solutions offers for sale, sells, and advertises in interstate commerce "Certified Renewed" and "Certified Refurbished" HAYWARD® TURBO CELL® salt cells, including through unauthorized use of the GOLDLINE®, T-CELL<sup>TM</sup> and GLX-CELL<sup>TM</sup> marks.
- 50. The advertisements for Salt Solutions' salt cells falsely or, at least, misleadingly suggest to consumers that Hayward certifies the Salt Solutions salt cells or that a reputable, independent standards-setting organization, such as the NSF, certifies them.
- 51. Salt Solutions' claims that the products are "Certified Renewed" or "Certified Refurbished" are materially false and/or misleading in that they are likely to influence consumers' purchasing decisions concerning replacement salt cells.
- 52. These advertisements also claim that Salt Solutions' salt cells have a "30% Extended Lifespan." This claim is materially false and/or misleading in that it also is likely to influence consumers' purchasing decisions concerning replacement salt cells.

- 53. Salt Solutions' claims are likely to deceive or confuse consumers and will continue to do so unless the conduct is enjoined.
- 54. Salt Solutions' conduct is willful and deliberate, and has injured Hayward and will continue to injure Hayward unless the conduct is enjoined.
- 55. Salt Solution knows or should have known that the claims are false and/or misleading, particularly because Hayward has previously warned Salt Solutions about such claims.
- 56. Salt Solutions' false and deceptive advertising violates Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).
- 57. Hayward has been, and continues to be, damaged by Salt Solutions' false and deceptive advertising, including through (a) diversion of customers or potential customers for replacement HAYWARD® TURBO CELL® salt cells; and (b) diminishing of the goodwill in the Hayward Marks and in the HAYWARD® TURBO CELL® salt cells sold under the Hayward Marks.
  - 58. Hayward has no adequate remedy at law to fully redress these injuries.

## **COUNT II**

# Federal Trademark Infringement of the HAYWARD® Mark in Violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1)

- 59. Hayward re-alleges and incorporates by reference Paragraphs 1-58 above as if fully set out herein.
- 60. Pursuant to 15 U.S.C. § 1057(b), Hayward's certificate of registration for the HAYWARD® registered mark is *prima facie* evidence of the validity of that registration, Hayward's ownership of the mark, and Hayward's exclusive rights to use the mark in commerce in connection with the goods identified in the registration.

- 61. Hayward's federal trademark registration constitutes constructive notice to Salt Solutions of Hayward's ownership and use of the registered mark in connection with the goods identified in the registrations.
- 62. Salt Solutions' unauthorized use of the HAYWARD® mark, as summarized above (*i.e.*, on or in connection with the sale and promotion of the "Certified Renewed" HAYWARD® TURBO CELL® salt cells), is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.
- 63. The above-described conduct constitutes trademark infringement in violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114(1).
- 64. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 65. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 66. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT III**

# Federal Trademark Infringement of the TURBO CELL® Mark in Violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1)

- 67. Hayward re-alleges and incorporates by reference Paragraphs 1-66 above as if fully set out herein.
- 68. Pursuant to 15 U.S.C. § 1057(b), Hayward's certificate of registration for the TURBO CELL® registered mark is *prima facie* evidence of the validity of that registration,

Hayward's ownership of the mark, and Hayward's exclusive rights to use the mark in commerce in connection with the goods identified in the registration.

- 69. Hayward's federal trademark registration constitutes constructive notice to Salt Solutions of Hayward's ownership and use of the registered mark in connection with the goods identified in the registrations.
- 70. Salt Solutions' unauthorized use of the TURBO CELL® mark, as summarized above (*e.g.*, on or in connection with the sale and promotion of the "Certified Renewed" HAYWARD® TURBO CELL® salt cells), is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.
- 71. One particular example of infringement of the TURBO CELL® mark is evident in the screen shot below in which Salt Solutions is promoting a "Certified Refurbished" product "by Saltsolutions Inc." but depicts in the accompanying photo a product bearing the TURBO CELL® mark, as indicated by the red circle:



# T-cell-15 Rebuilt with Extended Life (Renewed)

by Saltsolutions Inc.
Be the first to review this item

Note: This item is only available from third-party sellers (see all offers).

Available from these sellers.

Product works and looks like new. Comes with a 90-day warranty.

This Amazon Renewed product is professionally inspected and tested by an Amazon qualified supplier. Box and accessories may be generic. Learn more

- This Certified Refurbished product is tested and certified to look and work like new. The refurbishing process includes functionality testing, basic cleaning, inspection, and repackaging. The product ships with all relevant accessories,
- 72. The above-described conduct constitutes trademark infringement in violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114(1).

- 73. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 74. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 75. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT IV**

# Federal Trademark Infringement of the GOLDLINE® Mark in Violation of Section 32(1) of the Lanham Act, 15 U.S.C. § 1114(1)

- 76. Hayward re-alleges and incorporates by reference Paragraphs 1-75 above as if fully set out herein.
- 77. Pursuant to 15 U.S.C. § 1057(b), Hayward's certificate of registration for the GOLDLINE® registered mark is *prima facie* evidence of the validity of that registration, Hayward's ownership of the mark, and Hayward's exclusive rights to use the mark in commerce in connection with the goods identified in the registration.
- 78. Hayward's federal trademark registration constitutes constructive notice to Salt Solutions of Hayward's ownership and use of the registered mark in connection with the goods identified in the registrations.
- 79. Salt Solutions' unauthorized use of the GOLDLINE® mark, as summarized above (*e.g.*, on or in connection with the sale and promotion of the "Certified Renewed" HAYWARD® GOLDLINE® TURBO CELL® salt cells), is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.

- 80. The above-described conduct constitutes trademark infringement in violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114(1).
- 81. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 82. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 83. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

# COUNT V Federal Trademark Counterfeiting in Violation of Section 32 of the Lanham Act, 15 U.S.C. § 1114

- 84. Hayward re-alleges and incorporates by reference Paragraphs 1-83 above as if fully set out herein.
- 85. Hayward sells in interstate commerce salt cells bearing the HAYWARD®, TURBO CELL®, and GOLDLINE® federally registered marks. Genuine HAYWARD® TURBO CELL® salt cells (including those also bearing the GOLDLINE® mark) are expertly designed and manufactured under exacting requirements and are subjected to rigorous testing and certification by an independent standards-setting organization, such as the NSF. Given the high quality of these genuine HAYWARD® TURBO CELL® salt cells, and based on continuous use of the marks over many years, the HAYWARD®, TURBO CELL®, and GOLDLINE® marks have come to stand for high quality products and have developed substantial goodwill. Consumers associate that high quality, reputation, and goodwill with a unique source, namely, Hayward.

- 86. Without authorization, but with both constructive and actual knowledge of Hayward's superior rights in the HAYWARD®, GOLDLINE®, and TURBO CELL® marks, Salt Solutions is advertising, offering for sale, and selling in interstate commerce counterfeit salt cells bearing the HAYWARD®, GOLDLINE®, and TURBO CELL® marks or marks that are confusingly similar. Salt Solutions sells its counterfeit salt cells in direct competition with Hayward's sale of genuine HAYWARD® TURBO CELL® salt cells.
- 87. Salt Solutions use of copies or simulations of the HAYWARD<sup>®</sup>, GOLDLINE<sup>®</sup>, and TURBO CELL<sup>®</sup> marks on or in connection with its salt cells is likely to cause confusion, mistake, or deception as to the source or origin of the salt cells, thus deceiving consumers into believing that the counterfeit Salt Solutions salt cells are genuine HAYWARD<sup>®</sup> TURBO CELL<sup>®</sup> salt cells or are otherwise authorized, sponsored by or affiliated with Hayward.
- 88. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 89. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 90. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT VI**

Unfair Competition and False Designation of Origin in Violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by Unauthorized Use of the HAYWARD® Trademark

- 91. Hayward re-alleges and incorporates by reference Paragraphs 1-90 above as if fully set out herein.
  - 92. Hayward and Salt Solutions compete in the market for replacement salt cells.

- 93. Salt Solutions' unauthorized use of the HAYWARD® mark, as summarized above, is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.
- 94. Salt Solutions' unauthorized use of the HAYWARD® mark, as described above, constitutes unfair competition and false designation of origin in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).
- 95. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 96. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 97. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT VII**

# Unfair Competition and False Designation of Origin in Violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by Unauthorized Use of the TURBO CELL® Trademark

- 98. Hayward re-alleges and incorporates by reference Paragraphs 1-97 above as if fully set out herein.
  - 99. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 100. Salt Solutions' unauthorized use of the TURBO CELL® mark, as summarized above, is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.

- 101. Salt Solutions' unauthorized use of the TURBO CELL<sup>®</sup> mark, as described above, constitutes unfair competition and false designation of origin in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).
- 102. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 103. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 104. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT VIII**

# Unfair Competition and False Designation of Origin in Violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by Unauthorized Use of the GOLDLINE® Trademark

- 105. Hayward re-alleges and incorporates by reference Paragraphs 1-104 above as if fully set out herein.
  - 106. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 107. Salt Solutions' unauthorized use of the GOLDLINE® mark, as summarized above, is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.
- 108. Salt Solutions' unauthorized use of the GOLDLINE® mark, as described above, constitutes unfair competition and false designation of origin in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

- 109. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 110. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 111. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT IX**

Unfair Competition and False Designation of Origin in Violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by Unauthorized Use of the T-CELL<sup>TM</sup> Trademark

- 112. Hayward re-alleges and incorporates by reference Paragraphs 1-111 above as if fully set out herein.
  - 113. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 114. Hayward owns the T-CELL™ mark,and has continuously and exclusively used this mark in commerce on, or in connection with the sale of, its salt cells since at least the late 1990s. By virtue of Hayward's exclusive and continuous use of the T-CELL™ mark over many years, consumers have come to recognize it as designating Hayward as the source or origin of salt cells that bear this mark.
- 115. Salt Solutions' unauthorized use of the T-CELL™ mark, as summarized above, is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.
- 116. Salt Solutions' unauthorized use of the T-CELL<sup>TM</sup> mark, as described above, constitutes unfair competition and false designation of origin in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).

117. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.

118. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.

119. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT X**

Unfair Competition and False Designation of Origin in Violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by Unauthorized Use of the GLX-CELL<sup>TM</sup> Trademark

- 120. Hayward re-alleges and incorporates by reference Paragraphs 1-119 above as if fully set out herein.
  - 121. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 122. Hayward owns the GLX-CELL™ mark and has continuously and exclusively used this mark in commerce on, or in connection with the sale of, its salt cells since at least the late 1990s. By virtue of Hayward's exclusive and continuous use of the GLX-CELL™ mark over many years, consumers have come to recognize it as designating Hayward as the source or origin of the salt cells that bear this mark.
- 123. Salt Solutions' unauthorized use of the GLX-CELL<sup>TM</sup> mark, as summarized above, is likely to cause consumers and potential consumers to be confused, mistaken, and deceived as to the source, origin, sponsorship, or approval by Hayward of Salt Solutions' salt cells.

- 124. Salt Solutions' unauthorized use of the GLX-CELL™ mark, as described above, constitutes unfair competition and false designation of origin in violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).
- 125. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 126. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 127. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **COUNT XI**

# Unfair Competition and False Designation of Origin in Violation of Section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a), by Passing Off and Reverse Passing Off

- 128. Hayward re-alleges and incorporates by reference Paragraphs 1-127 above as if fully set out herein.
  - 129. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 130. Hayward advertises, offers for sale, and sells in commerce salt cells bearing the Hayward Marks. The Hayward Marks appear on labels affixed to the salt cells (the "Hayward Labels") and also in on-line and print advertising and marketing materials used in connection with the sale and marketing of HAYWARD® TURBO CELL® salt cells.
- 131. As described above, Salt Solutions advertises, offers for sale, and sells salt cells that bear one or more of the Hayward Marks but that are materially different from genuine HAYWARD® TURBO CELL® salt cells. Salt Solutions has materially altered the HAYWARD® TURBO CELL® salt cells by "renewing" or "refurbishing" the salt cells with unauthorized parts

or performing unauthorized service on these salt cells. Indeed, Salt Solutions actively promotes, on Amazon.com and elsewhere, these "renewed" or "refurbished" salt cells as HAYWARD® TURBO CELL® salt cells when, in fact, they are counterfeit Salt Solutions salt cells. Hayward has not authorized this conduct.

- 132. Such conduct constitutes passing off in violation of Section 43(a) of the Lanham Act.
- 133. In addition, as described above, Salt Solutions applies its own labels over the Hayward Labels on HAYWARD® TURBO CELL® salt cells or removes the Hayward Labels altogether and applies its own labels to HAYWARD® TURBO CELL® salt cells. Salt Solutions also alters images of the HAYWARD® TURBO CELL® salt cells used to advertise and sell Salt Solutions' counterfeit salt cells in on-line advertisements, such as by digitally erasing or photoshopping one or more of the Hayward Marks and the Hayward logo from the Hayward Label in these photographs. Salt Solutions then applies its own "Salt Solutions" trade name to the photographs and advertisements. Hayward has not authorized this conduct.
- 134. Such conduct constitutes reverse passing off in violation of Section 43(a) of the Lanham Act.
- 135. Salt Solutions' passing off and reverse passing off is likely to cause confusion, mistake, or deception as to the source or origin of the salt cells, and has diverted sales from Hayward.
- 136. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.

- 137. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 138. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

# COUNT XII False Advertising in Violation of N.J.S.A. § 56:8-2 et seq.

- 139. Hayward re-alleges and incorporates by reference Paragraphs 1-138 above as if fully set out herein.
  - 140. Salt Solutions' salt cells are consumer goods.
- 141. Salt Solutions has engaged in trade or commerce in this State by advertising, offering for sale, and selling salt cells in New Jersey.
- 142. Through its above-described conduct of falsely or misleadingly advertising salt cells as "Certified Renewed," "Certified Refurbished," and/or having "30% Extended Lifespan," Salt Solutions has used unconscionable commercial practices, deception, fraud, and misrepresentation concerning the nature of its salt cells with the intent that consumers reply on such fraud, deception, and misrepresentation.
- 143. Salt Solutions' false advertising is likely to cause confusion, mistake, or deception as to the source or origin of the salt cells and/or authorization or sponsorship by Hayward and, as such, has diverted sales from Hayward.
- 144. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 145. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.

146. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

# COUNT XIII Unfair Competition in Violation of N.J.S.A. § 56:4-1

- 147. Hayward re-alleges and incorporates by reference Paragraphs 1-146 above as if fully set out herein.
  - 148. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 149. Salt Solutions has engaged in trade or commerce in New Jersey, as described above.
- 150. Salt Solutions has willfully and knowingly engaged in unfair acts or practices and unfair methods of competition, including through the bad faith and unauthorized use of the Hayward Marks, false advertising, counterfeiting, passing off, and reverse passing off.
- 151. Salt Solutions' unfair acts or practices and unfair methods of competition are likely to cause confusion, mistake, or deception as to the source or origin of the salt cells and/or authorization or sponsorship by Hayward.
- 152. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 153. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 154. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

# COUNT XIV Trademark Infringement and Unfair Competition under New Jersey Common Law

- 155. Hayward re-alleges and incorporates by reference Paragraphs 1-154 above as if fully set out herein.
  - 156. Hayward and Salt Solutions compete in the market for replacement salt cells.
- 157. Hayward has continuously and exclusively used in New Jersey and nationally the Hayward Marks on and in connection with the sale of salt cells at least since the late 1990s.
- 158. Salt Solutions has misappropriated the Hayward Marks by using them on, or in connection with the sale of, unauthorized and materially altered salt cells.
- 159. Salt Solutions also has committed false advertising, counterfeiting, passing off, and reverse passing off, as described above.
- 160. Salt Solutions' trademark infringement and unfair competition is likely to cause confusion, mistake, or deception as to the source or origin of the salt cells and/or authorization or sponsorship by Hayward and, as such, has diverted sales from Hayward.
- 161. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 162. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 163. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

# COUNT XV Tortious Interference with Prospective Economic Advantage

164. Hayward re-alleges and incorporates by reference Paragraphs 1-163 above as if fully set out herein.

- 165. Through its trademark infringement, false advertising, counterfeiting, passing off, reverse passing off, and other unfair competition, all as described above, Salt Solutions has intentionally and improperly interfered with Hayward's prospective sales of replacement salt cells to consumers in New Jersey and elsewhere.
- 166. By deceiving customers into believing that its salt cells are somehow "Certified Renewed," "Certified Refurbished," or have "30% Extended Lifespan," or that such salt cells are authorized replacements for genuine HAYWARD® TURBO CELL® salt cells, Salt Solutions has improperly diverted sales from Hayward and has prevented Hayward from selling its genuine HAYWARD® TURBO CELL® salt cells to its customers.
- 167. But for Salt Solutions' wrongful conduct, Hayward likely would have made the sales that Salt Solutions actually made.
- 168. Salt Solutions' conduct has caused, and is continuing to cause, irreparable injury to Hayward, including to its reputation and goodwill, and Hayward has no adequate remedy at law. Unless such unauthorized use is enjoined, Hayward will continue to be irreparably harmed.
- 169. Salt Solutions' conduct, as described above, has been willful, wanton, reckless, and in total disregard to Hayward's rights.
- 170. By reason of Salt Solutions' misconduct, Hayward has suffered, and will continue to suffer, monetary damages and loss of goodwill.

#### **REQUEST FOR RELIEF**

Hayward respectfully asks this Court to enter judgment for Hayward and against Salt Solutions and to grant the following relief:

A. Judgment in favor of Hayward and against Salt Solutions on all counts;

- B. An order under 15 U.S.C. § 1116 and/or other applicable law preliminarily and permanently enjoining Salt Solutions, including its officers, agents, employees, servants, attorneys, successors, assigns, and all other persons and entities in privity and acting in concert with Salt Solutions, from the following acts:
  - i. falsely and misleading advertising its salt cells, including claiming that they are "Certified Renewed," "Certified Refurbished," have "30% Extended Lifespan," or any other false or misleading claims that suggest certification, authorization, or sponsorship by Hayward or by an independent testing lab, such as the NSF;
    - ii. infringing any of the Hayward Marks;
  - iii. using any of the Hayward Marks, or any confusingly similar marks alone or in combination with other words, symbols, or designs, in connection with the manufacture, offer for sale, sale, or advertising of salt cells;
  - iv. using any trade name, words, abbreviations, or any combinations thereof that would imitate, resemble, or suggest the Hayward Marks;
  - v. passing off its salt cells (or HAYWARD® TURBO CELL® salt cells that have been materially altered) as genuine or authorized HAYWARD® TURBO CELL® salt cells;
  - vi. reverse passing off HAYWARD® TURBO CELL® salt cells as Salt Solutions salt cells;
    - vii. advertising or selling counterfeit HAYWARD® TURBO CELL® salt cells;
  - viii. making any statement or representation that falsely designates or describes the Salt Solutions salt cells as authorized, certified, or sponsored by, or associated with,

Hayward or that is likely to confuse consumers as to the source, affiliation, or sponsorship of such salt cells; and

- ix. otherwise competing unfairly with Hayward with respect to the advertising and sale of salt cells designed to replace HAYWARD® TURBO CELL® salt cells;
- C. An order under 15 U.S.C. § 1116 and/or other applicable law preliminarily and permanently directing Salt Solutions, including its officers, agents, employees, servants, attorneys, successors, assigns, and all other persons and entities in privity and acting in concert with Salt Solutions, to perform the following remedial measures:
  - i. Providing notice to all customers and resellers of Salt Solutions' salt cells that such salt cells are not "Certified Renewed," "Certified Refurbished," have "30% Extended Lifespan," or are authorized or certified by Hayward or an independent testing lab, such as the NSF;
  - ii. Removing from Amazon.com and all other websites its false, deceptive and misleading advertising for salt cells, as described herein;
  - iii. Issuing a recall notice to all purchasers of the Salt Solutions salt cells in the United States and offering a full refund to any customers who purchased such salt cells;
  - iv. Providing corrective advertising on Amazon.com and through all other online retailers who carry the Salt Solutions salt cells that such products are not "Certified Renewed," "Certified Refurbished," have "30% Extended Lifespan," or are authorized or certified by Hayward or an independent testing lab, such as the NSF;

- v. Under 15 U.S.C. § 118 and/or other applicable law, destroying all inventory of "Certified Renewed," "Certified Refurbished," or otherwise "Rebuilt" HAYWARD® TURBO CELL® salt cells, including salt cells bearing the GOLDLINE®, T-CELL™, and/or GLX-CELL™ marks, as well as any other salt cells bearing the Hayward Marks, and certifying to Hayward that such destruction has occurred, including the number of units destroyed and the manner of their destruction; and
- vi. Within thirty (30) days, providing to Hayward a sworn statement as to how it has complied with the Court's orders
- D. An award of damages under 15 U.S.C. § 1117, and/or other applicable law, including, without limitation, disgorgement of profits, lost profits, and/or any other damages sufficient to compensate Hayward for Salt Solutions' trademark infringement, false advertising, counterfeiting, passing off, reverse passing off, unfair competition, and false designation of origin;
  - E. An accounting to determine the proper amount of damages;
- F. A three-fold increase in damages under 15 U.S.C. § 1117 and/or other applicable law, for Salt Solutions' willful, wanton, and deliberate acts of infringement and unfair methods of competition and deceptive practices;
- G. An award pursuant to 15 U.S.C. § 1117 and/or other applicable law of costs and pre- and post-judgment interest on Hayward's compensatory damages;
- H. An award pursuant to 15 U.S.C. § 1117 and/or other applicable law of statutory damages;
- I. Pursuant to 15 U.S.C. § 1117 and/or other applicable law, an award of reasonable attorneys' fees and the costs of this action; and

J. Such further relief as this Court deems just and proper.

## **JURY DEMAND**

Hayward requests a trial by jury on all issues so triable.

Dated: May 30, 2019 s/Scott S. Christie

Scott S. Christie Ravin R. Patel

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Attorneys for Plaintiff Hayward Industries, Inc.

## **CERTIFICATION PURSUANT TO LOCAL RULE 11.2**

I certify that the matter in controversy is not the subject of any other action or proceeding pending in any court, or of any pending arbitration or administrative proceeding.

Dated: May 30, 2019 s/Scott S. Christie

Scott S. Christie Ravin R. Patel

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Attorneys for Plaintiff Hayward Industries, Inc.

## **CERTIFICATION PURSUANT TO L. CIV. R. 201.1**

Pursuant to Local Civil Rule 201.1, I hereby certify the above-captioned matter is not subject to compulsory arbitration in that, *inter alia*, the Plaintiff seeks non-monetary injunctive relief and the amount in controversy exceeds the \$150,000 threshold exclusive of interest and costs and any claim for punitive damages.

Dated: May 30, 2019 s/Scott S. Christie

Scott S. Christie Ravin R. Patel

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